



Republic of Namibia
Ministry of Industrialisation and Trade

BUDGET MOTIVATION STATEMENT FOR
VOTE 19: MINISTRY OF INDUSTRIALISATION AND TRADE
2024/2025 FINANCIAL YEAR



BUY LOCAL
GROW NAMIBIA

PRESENTED BY: HON. LUCIA IIPUMBU, MP
MINISTER OF INDUSTRIALISATION AND TRADE
NATIONAL ASSEMBLY, 4 April 2024



In Loving Memory
H.E. Dr. Hage G. Geingob.

1941 – 2024

Former Minister of Trade and Industry.
Your Legacy Lives on...

HONOURABLE CHAIRPERSON OF THE WHOLE HOUSE COMMITTEE

Honourable Members

Today, I stand before you to present budget for Vote19: Ministry of Industrialization and Trade for the Financial Year 2024/2025. At first, allow me to reflect on the enduring legacy of His Excellency Dr. Hage G. Geingob and his unwavering commitment to inclusivity. Dr. Geingob's vision of a prosperous and inclusive Namibia, where every Namibian has equal opportunities, continues to inspire us all.

I further wish to Congratulate H.E Dr. Nangolo Mbumba and H.E Dr. Netumbo Nandi-Ndaitwah on their appointment as President and Vice President of the Republic of Namibia respectively. Indeed we wish them well in steering the Namibian house to prosperity pegged on the remarkable legacy of our beloved departed President, Dr. Hage Gottfried Geingob.

We appreciate the efforts of all the stakeholders who contributed to the craftment of this improved budget. We underscore our collective responsibility to invest in the future of our nation by prioritizing the well-being and development of our Citizens. As the Ministry responsible for Industrialisation and Trade, it is our honor to present a budget that not only advances our industrial agenda but also ensures that the benefits of economic growth are shared equitably, particularly among the most vulnerable members of our society.

In line with our industrialized economy agenda, we will continue to prioritize investment in key sectors such as manufacturing under the umbrella of our Growth at Home Strategy in leather and leather processing, garment and school uniforms, gemstones and jewelry, marbles and tiles, wood and furniture, charcoal and biomass, blue economy as well industrial resource efficiency and Green Industrialisation. These holds immense potential for job creation and economic empowerment. Through these targeted interventions, we aim to stimulate innovation, promote entrepreneurship, and create sustainable livelihoods, thereby laying the foundation for a brighter future for generations to come.

Moreover, we recognize the critical role of youth empowerment in driving economic growth and social progress, we will launch new initiatives to support youth-led enterprises, skills development programs, and mentorship opportunities, enabling young Namibians to actively participate in the industrialization process and contribute meaningfully to the nation's development agenda.

As such during this financial year, we will focus on the development of the ICT and performing arts sectors as industries through a fostered collaborations with the Ministry of Information, Communication Technology and Ministry of Basic Education, Arts and Culture.

The Ministry is committed to enhancing sustainable social and economic development by creating an enabling environment for the benefit of all citizens. This is done by creating enabling policies, legislation and strategies to facilitate the following: ease of doing business, promotion of investments and creation of a viable investment framework, creation and sustenance of industries, support of Micro, Small and Medium Enterprises (MSMEs) and expanding and developing export markets and products. I wish to wholeheartedly thank my team for implementing the Ministry's targeted programmes for the 2023/2024 financial year.

**Honourable Chairperson,
Honourable Members**

The Ministry's mandate is largely carried through two main divisions-International Trade and Commerce and Industrialisation, Investment Policy and Enterprise Development. To this end the overall achievements of main activities pertaining to International Trade, Commerce, Industrialisation, Investment Policy and Enterprise development among others were:

- 1) The Ministry has by March 2024 shortlisted at least 100 MSMEs as potential beneficiaries of Equipment Aid Scheme (EAS) and 15 enterprises as potential beneficiaries of Industrial Upgrading and Modernisation Programme (IUMP). The budgets for EAS and IUMP was N\$ 4 million and N\$3 million respectively. Final announcements and distribution of equipment and other approved support instruments is expected in April 2024.
- 2) The Ministry through **EMPRETEC NAMIBIA** work with many partners to offer trainings on basic entrepreneurship, financial literacy and business modelling. During the 2023/24 period the Ministry trained 1210 MSMEs. The Ministry shall continue to train a further MSMEs whilst ensuring work start on accrediting Empretec Namibia by UNCTAD. The Ministry will also train 25 Business Development Advisors during the 2024/25 period starting in April 2024.
- 3) The Ministry is working with various stakeholders and leveraging on our garment centres that we built to develop the key intervention to ensure that our MSMEs can supply school uniforms in all the regions of our country. The Ministry has initiated basic renovations work on the Ovitoto Garment Factory for the 2024/25 Financial Year with equipment already procured.
- 4) The Biomass project construction has by March 2023 finalised electrical installation. Final commissioning is slated in the next three months to be preceded by a Open Day Training to invite interest Namibians to be taught how to man and operate such a facility.
- 5) The National Ozone Unit donated 22 units of green air conditioners to selected Vocational Education Centres. In addition, the NOU trained 48 technicians with the support of GIZ during the report period on safe handling and installations of heating, ventilation and air-conditioning equipment. In the new reporting period the Ministry is expected to train more technicians in the recovery processes of the end of life-cycle gases contained in these equipment. The Ministry has finalised a National Cooling Strategy which is to be tabled for final approval in 2024/25. .
- 6) Further in terms of enterprise development, the Ministry trained 24 students at the Karibib Gemstone Centre during 2023/24 of which all of them are now absorbed in the diamond cutting and polishing sector. This is an addition to the 2022 cohort of 24 trained of which 21 were absorbed in the said sector. This provides significant entry points for Namibia youth to enter the jewellery industry.

- 7) In addition, during the 2023/24 period, the Ministry managed to secure a tenant for the Keetmanshoop Gemstone Centre to further embellish the diamond cutting and polishing value chain. The Ministry will continue to emphasise on the need to resuscitate economic activity of its business and entrepreneurial infrastructure by collaborating deeply with the Private Sector.
- 8) The SDG Impact Facility is a collaboration with UNDP Namibia and the Environmental Investment Fund. The aim is to support and fund sustainable social enterprises as access to finance continue to hamper our efforts at business development. So far since 2021 we have funded over 95 enterprises under this facility and aim to grow the fund into an endowment fund with other interested partners. During the reporting period we initiated work on designing the facility towards an endowment facility with the support of UNDP Namibia. A validation on such a new design was carried out in December 2023. The outcomes thereof will be subjected for further internal review and subsequently rollout during the 2024/25 period.
- 9) The Property Practitioners Bill, which will repeal the Namibia Estates Agents Act, is one of the bills that is before this August House for tabling during this financial year. The bill in repealing the Estates Agents Act, aims to address challenges of an outdated legislation. Its main feature is the broadening of the definition of a "Property Practitioner" which includes developers and auctioneers and other property practitioners who were up to now not regulated as the estate agents. I call on the support of my esteemed colleagues in bringing it to promulgation, as it will enhance the contribution of this sector to our economy.
- 10) The Chemical Weapons Bill is another instrument before this August House and it aims to ensure that Namibia is able to implement its international obligations in order to strive to keep the world a safer place. This is in line with the Convention on the Prohibition of the Development, Production, stockpiling and use of Chemical Weapons known as the Chemical Weapons Convention that was ratified by Namibia in 1997.
- 11) The following instruments are at an advanced stage such as amendment to The Competition Bill, the consumer protection bill and are aligned to the policies in place.
- 12) We are pleased to inform you that the SACU Provisional Schedule of Tariff Concessions for the AfCFTA is being gazetted which will initiate actual trade under the AfCFTA. This is a significant milestone in realising the dreams of our founders of African Unity.
- 13) An instrument that will facilitate the optimal utilisation of all our international trade agreements is the International Trade Management Bill. Article 7 of the 2002 SACU Agreement makes provision for the establishment of effective institutions both at national and customs union level to balance responsibilities and decision-making. This is a critical legal framework and again call for your support when this instrument is tabled.
- 14) The Ministry has finalized the draft SEZ Bill and accompanying Regulations. These are to be tabled during the 2024/25 period, which will effectively ensure that we phase out the Export Processing Zone regime by end of 2025. During the forthcoming period of 2024/25 the Ministry will finalise a SEZ Masterplan to guide the implementation process once the regime sets in. Incidentally the Ministry will also finalize a Local Content Policy concept note to ensure that such SEZ regime mainstream aspects of local content in their dealings.
- 15) The Namibia Investment Promotion and Facilitation Bill is expected to be promulgated in this financial year, and encompasses the treatment and support for domestic and foreign investors. It provides for sector reservations for Namibian investors.
- 16) A draft National Investment Policy is finalised and is now to be tabled at appropriate authorisation foras during the 2024/2025 period

**Honourable Chairperson,
Honourable Members**

I, therefore, introduce this budget allocation estimates for Vote 19 for the 2024/2025 Financial Year for which I seek your diligent support and approval.

The Ministry's total budget allocation for the 2024/2025 Financial Year is **THREE HUNDRED AND SIXTY - FIVE MILLION, FOUR HUNDRED AND EIGHTY - FOUR THOUSAND NAMIBIA DOLLARS (N\$ 365 484 000)**. This allocation is divided into two segments, **THREE HUNDRED AND FIFTEEN MILLION, FOUR HUNDRED AND EIGHTY - FOUR THOUSAND NAMIBIA DOLLARS (N\$ 315 484 000)** IS FOR THE OPERATIONAL BUDGET; AND **FIFTY MILLION NAMIBIA DOLLARS (N\$ 50 000 000)** IS FOR THE DEVELOPMENT BUDGET. This allocation indicates an increase of **EIGHTY SEVEN MILLION, NINE HUNDRED AND TWENTY - EIGHT NAMIBIA DOLLARS (N\$87,928, 000)** which represents an increase of 24 % from the 2023/2024 budget for the Ministry.

The total operational budget of N\$ 315,484,000 million is allocated as follows:

Personnel Expenditure	-	N\$ 90,212,662
Goods and Other Services	-	N\$ 43,059,947
Subsidies and Other Current Transfers	-	N\$ 182,211,391

I will now present the budget allocations for each programme as follows:

1)	Trade Promotion Programme	-	N\$ 191,845,960
2)	Industrial Development Programme	-	N\$ 72,771,184
3)	Investment Promotion	-	N\$ 4,129,109
4)	Special Industrialisation Programme	-	N\$ 31,187,650
5)	Policy Supervision and Support Services	-	N\$ 65,550,097
			N\$ 365,484,000

To expedite the economic recovery and growth, which is the most significant task faced by our Government, we must cultivate a stronger sense of prioritizing Namibia's interests above all else. I hereby propose this resolution by formally urging the House to deliberate upon and authorize the allocation of **THREE HUNDRED AND SIXTY - FIVE MILLION, FOUR HUNDRED AND EIGHTY - FOUR THOUSAND NAMIBIA DOLLARS (N\$ 365 484 000)** for both the operational and development budget of Vote 19 - Ministry of Industrialisation and Trade:

**Honourable Chairperson,
Honourable Members**

Our Priority Areas for this year 2024 are amongst the following:

- a. Continue to implement the Equipment Aid Scheme and Industrial Upgrading Modernisation Programme (IUMP)
- b. Continue to roll out the Empretec Entrepreneurial and Gemstone Cutting and Polishing Trainings
- c. Continue to facilitate Market access for Namibian Products in both domestic and international markets
- d. The enactment and promulgation of the Namibia Investment Promotion and Facilitation Bill
- e. The enactment and promulgation of the Special Economic Zone Law
- f. Tabling of the Property Practitioners Bill
- g. Tabling of the Chemical Weapons Bill
- h. Gazette Namibia's Schedule of Tariff Concessions for the AfCFTA and launch Namibia's first shipment of the consignment under the AfCFTA Guided Trade Initiative
- i. Finalise consultations on the Informal Economy and Entrepreneurship Policy
- j. Finalise consultations on the National Cooling Strategy
- k. Launch the Biomass Centre
- l. Launch the National Trade Policy, which was approved by Cabinet in March 2024
- m. Develop the framework to support and advance the Green Industrialisation agenda

In conclusion, as we embark on this journey to build a better future for all Namibians let us reaffirm our commitment to the principles of inclusivity, equity, and solidarity that define our national identity. By continuing the legacy of His Excellency Dr. Hage G. Geingob and caring for all in the Namibian house, we not only honor the past but also pave the way for a brighter and more prosperous future for all.

I EXPRESS MY GRATITUDE FOR YOUR ATTENTIVE AND SUPPORTIVE NATURE, AND I NOW SUBMIT,

ANNEXURE. A – PROGRAMME ACHIEVEMENTS OF 2023/2024 FINANCIAL YEAR**PROGRAMME 01 –
TRADE PROMOTIONS**

- This Programme intends to make Namibia competitive in business establishment, expansion, business and intellectual property protection, standards quality, exports and fair market competitiveness.

Domestic Trade Management

- The activity aims to develop appropriate legal regulations and institutional frameworks for effective business registration, operation of businesses, enforcement of intellectual property rights, standards, weights and measures, conformity to business assessment, competition, franchise and e-commerce.

ACHIEVEMENTS

1. The National Consumer Protection Policy 2020–2025 has been launched.
2. The National Competition Policy 2020–2025 has been launched.
3. The Competition Bill, which aims to repeal the Competition Act 2 of 2003, is at an advanced stage.
4. The Metrology Bill was tabled in Parliament.
5. The Copyright and Related Bill is at an advanced stage and will repeal the Copyright and Neighboring Rights Protection Act 6 of 1994.

001 – 02 External Trade Management

The main purpose of this activity is to increase the volume, value and range of Namibian goods and services for export, and to secure external markets and preferential market access conditions for local products in regional, continental and global markets, and includes Market Research and Product Development.

- Implementation of the African Continental Free Trade Area (AfCFTA) agreement.

ACHIEVEMENTS

- Finalisation of the Provisional Schedule of Tariff Concessions for the AfCFTA which is due to be gazetted and initiate actual trade under the AfCFTA. NAMRA is expected to finalise the publishing process in April 2024 while the launch of the first consignment is envisaged for July – August 2024.

Implementation of the Trade Policy

ACHIEVEMENTS

- National Trade Policy was approved by Cabinet.

A National Single Window (NSW)

ACHIEVEMENTS

- NAMPORT is spearheading the implementation of the NSW for both Cross Border and maritime single window.

African Growth and Opportunity Act

ACHIEVEMENTS

- Namibia participated in the AGOA forum, which took place in South Africa, in December 2023. Namibia supported the extension of AGOA.

Support to Industry Associations

ACHIEVEMENTS

- Namibia was licensed to operate the Global Standard (GSI 1) Bar Code for products to find shelf space globally under under Namibia trading code. To date, a total of 58 companies have secured their barcode amounting to 641 barcodes with about 272 products activated. In terms of costs, a bar code cost a total of N\$ 208.00 Namibia Dollars of which N\$ 145.00 is the barcode cost and N\$ 63.00 is for membership paid annually

	<p>Namibia International Trade Commission (NITC)</p> <p>ACHIEVEMENTS</p> <ul style="list-style-type: none"> • The Trade Management Bill was presented is envisaged for tabling during the course of this year.. <p>Market diversification</p> <p>ACHIEVEMENTS</p> <ul style="list-style-type: none"> • Secured market access for Namibian beef into the Ghanaian market <p>Trade Bilateral Engagements</p> <p>ACHIEVEMENTS</p> <ul style="list-style-type: none"> • Held the Joint Trade and Investment Committee mission (JTIC) to Lusaka, Zambia on 4 – 6 September 2023. • The MoU between The Namibia Competition Commissions and The Competition and Consumer Protection Commission of Zambia was signed. • MOU on Industrial Cooperation between Namibia and Zambia • The MoU between NSI and ZABS, as well as the MoU between NSI and ZCSA were signed. • Facilitated B2B engagements between Namibian and Zambian business Community with a view of fostering trade and investment partnership. • Signed the MoU in the field of Industry with the Russian Federation. • Signed an MoU between the government of the Republic of Namibia and the Government of the Bolivarian Republic of Venezuela on trade and economic cooperation. • Namibia signed the Joint Statement of Intent with the Republic of South Africa during the Business Forum and Exhibition which was held on the margins of the 3rd Session of the Namibia – South Africa Bi-National Commission (BNC).
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<p>PROGRAMME 02 – INDUSTRIAL AND BUSINESS DEVELOPMENT</p>	<p>The programme is intended to promote manufacturing and entrepreneurship development. The programme's objective is to achieve industrial planning, employment creation and the development of a competitive industrial sector.</p> <p>02-01 Industrial Planning and Development Policies and strategies on industrial development to boost supply-side capacities of local industries and ensure an increased contribution of the productive sector to the country's GDP.</p> <p>ACHIEVEMENTS DURING THE REPORTING PERIOD</p> <p>IUMP Grant</p> <ul style="list-style-type: none"> • This is a SADC-wide industrial development initiative, aimed at upgrading industries' production output, capacity, efficiency, competitiveness and product quality. • 15 Namibian entities from all regions were supported under the IUMP through the SADC Trade Related Facility at a cost of N\$3 million. <p>National Cooling Strategy</p> <ul style="list-style-type: none"> • National Cooling Strategy developed and subjected to stakeholder consultations <p>Gemstone Cutting and Polishing The Ministry trained 24 students at the Karibib Gemstone Centre during 2023 of which 24 of them are now absorbed in the diamond cutting and polishing sector.</p>
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GARMENT MANUFACTURING PROGRAMME

The Ministry has initiated basic renovations work on the Ovitoto Garment Factory.

Development of the SEZ Policy and regulations

- The Ministry developed the SEZ Draft Bill and Accompanying Regulations.

ACHIEVEMENTS

- The Keetmanshoop Gemstone Centre has acquired a tenant to operate in the diamond cutting and polishing value chain.

Development of the Investment Policy Framework

ACHIEVEMENTS

- Draft National Investment Policy completed to be subjected to stakeholder consultation during 2024/25
- Draft Investment Bill Regulations subjected for consultations for further enhancements.

02 – 02 Small Business Development

- Involves the development of policies and strategies to support entrepreneurs and enterprises in research and development, and the acquisition of specialized skills through short-term training to strengthen the implementation of both Industrial and Micro and Small and Medium Enterprises (MSMEs) policies and the 'Growth at Home' strategy and EMPRETEC NAMIBIA

	<p>ACHIEVEMENTS</p> <p>Draft National Policy on Informal Economy developed and subject to stakeholder consultations.</p> <ul style="list-style-type: none"> • During 2023, entrepreneurship trainings through EMPRETEC NAMIBIA were conducted in 14 regions and thereby benefiting 1210 MSMEs. • The Ministry has by March 2024 shortlisted at least 100 MSMEs as potential beneficiaries of Equipment Aid Scheme (EAS) and 15 enterprises as potential beneficiaries of Industrial Upgrading and Modernisation Programme (IUMP). • Assisted the Namibia Informal Sector Association (NISO) with the development and launch of their operating guidelines and code of conducts.
<p>PROGRAMME 04 – SPECIAL INDUSTRIALIZATION</p>	<p>To increase the contribution of the productive sector to GDP and accelerate economic growth and activity towards enhancing growth in priority sectors.</p> <p>ACHIEVEMENTS DURING THE REPORTING PERIOD</p> <ul style="list-style-type: none"> • Electrification work at the Biomass Project in Otjiwarongo is completed and final commission to happen in April 2024

<p>PROGRAMME 99 – POLICY CO-ORDINATION AND SUPPORT SERVICES</p>	<p>This programme is intended to ensure an enabling environment and high performance culture</p> <p>99 – 01 Policies Supervision</p> <p>This activity provides for policy guidelines of programmes to ensure alignment to Ministerial Strategic Goals and National Development Goals (NDPs)</p> <p>99 – 02 Coordination and Support Services</p> <p>This activity provides for administrative or support services to the operational units and agencies of the Ministry, which requires to execute their core functions and achieve the strategic objectives in its Strategic Plan.</p> <p>ACHIEVEMENTS DURING THE REPORTING PERIOD</p> <ul style="list-style-type: none"> • Achieved a 99% budget execution rate for the period under review; • Maintained unqualified auditing report status.
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“Continuing the Legacy of His Excellency Dr. Hage G. Geingob by Caring for the Namibian Child”

**A collage of pictures of the late Dr. Hage Geingob during his tenure as Minister
of Trade and Industry then (NOW, Ministry of Industrialisation and Trade)**



**Dr. Hage Geingob and Dr. Hifikepunye Pohamba
at the Namibia investment forum**



**Dr. Hage Geingob pictured with a visiting
delegate at the Investment forum**



**Courtesy visit by a member from
African Union**



Dr. Hage Geingob



**Dr. Hage G. Geingob with H.E Cyril Ramaphosa during the
Namibia - South Africa Business Forum in 2023**



**Monica Geingos, participant in the middle,
followed by Dr. Hage Geingob**



MIT end of year function 2012



MIT end of year function 2012



Hon. Dr. Hage Geingob delivering a statement
at the handover of equipment at Otjiwarongo



Dr. Hage Geingob receiving equipment donations
from strategic partner



Hon. Dr. Hage Geingob at the conference on sustainable raw material industry and development policy (Germany)



Hon. Verna Sinimbo launch the Namibian Barcode



Hon. Verna Sinimbo officiating the Ongwediva Trade Fair.



Handing over of equipment aid scheme to beneficiaries



US delegates pay courtesy visit to Dr. Hage Geingob



Change of guard – Hon. Schlettwein (incoming Minister) and Dr. Hage Geingob (outgoing Minister)



Official inauguration of NBL plant
(2nd from right – Dr. Hage Geingob)



Learner receiving gifts from Hon. Minister during African child's day celebration



H.E Dr. Hage G. Geingob franked by Namibian Ministers and USAID CEO Travis Adkins during the IS - Africa Leaders Summit



Dr. Hage Geingob during the Invest in Namibia conference



US visiting delegates paid courtesy call to Dr. Hage Geingob



Centre Hon. Dr. Hage Geingob (Minister of Trade and Industry) receiving the Crans Montan Forum's Prxi de la Foundation award prented to him by Prince Jean de Luxembourg (left)



Launch of Namibia's National AfCFTA Implementation Strategy



Dr. Hage G. Geingob with Hon. Lucia Ipumbu during the Namibia - South Africa Business Forum in 2023



Dr. Hage G. Geingob and H.E. Mokgweetsi Masisi looking on as the respective Ministers of Trade of Namibia and Botswana sign an MoU.

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